Univ. of Ill. Library
53
188

Oak Street
UNCLASSIFIED

ARIZONA'S AGRICULTURAL WORKERS

Special Reprint Edition

October, 1951

RESEARCH AND REPORTS SECTION
Unemployment Compensation Division
Employment Security Commission of Arizona

Pagination off
between pages 15 - 19.

-DJW

ARIZONA'S AGRICULTURAL WORKERS

An Analysis of Arizona's Year-Around and Migratory Agricultural Employment, with Long-range Cost Estimates for Unemployment Insurance Coverage of Agricultural Workers

(Extracted from the Unemployment Compensation Division's long-range finance study, "Unemployment Insurance in Arizona.")

June, 1951

RESEARCH AND REPORTS SECTION
Unemployment Compensation Division
Employment Security Commission of Arizona
P. O. Box 111 Phoenix, Arizona

INTRODUCTION

Although agricultural workers are excluded from unemployment insurance coverage in all states and territories except the District of Columbia, the question of providing unemployment insurance benefits for them is raised frequently. For the past year or so, this problem has become a public issue in Arizona, resulting in requests for more and more information to better understand the situation. How many permanent agricultural workers are employed in our State? How many migratory workers come here? What will the cost be to the unemployment trust fund? How important is agriculture in Arizona's economy?

It is with the object of developing answers to these and many other problems that this study was included in our survey of long-range unemployment insurance benefit financing. Because of the interest in Arizona's agricultural problems, and to permit more wide-spread dissemination of these data in a practical, summary form, this chapter was extracted from our book, "Unemployment Insurance in Arizona."

BRUCE PARKINSON
Director

1 Jy 52 olw g

ARIZONA'S AGRICULTURAL WORKERS

Only in the District of Columbia, which is primarily an urban community, is agricultural labor covered under the unemployment insurance law. Of the other 50 laws, 35 exclude agricultural services primarily in the same way as in the Federal Unemployment Tax Act as amended in 1939. Prior to these amendments, "agricultural labor" was defined by Administrative Regulation of the Bureau of Internal Revenue. Services on a farm in raising and harvesting of animal and plant life were excluded, and services in some processing and marketing activities when performed for the farmer who raised the crop and as an incident to primary farming operations. In 1939, the amendments to the Federal Unemployment Tax Act broadened the exclusion. Some processing and marketing activities were excluded regardless of whether they were performed in the employ of the farmer. Also excluded were services in the management and operation of the farm if performed for the farm owner or operator.

Recent amendments of the Social Security Act (Old Age and Survivor's Insurance, Title II) extended coverage for agricultural workers. The new law covers certain borderline agricultural labor, such as processing workers. In addition, it covers regularly employed agricultural workers. A farm worker is regularly employed if he has three months continuous service for one employer before coverage starts; and, thereafter, employment by that employer on a full-time basis for at least sixty days in a calendar quarter, with cash wages of at least $50 for services in the quarter. Under this new law, domestic workers in farm homes are covered as agricultural workers.

For the past year, coverage of agricultural workers in Arizona has become a public issue. Because of its importance to the unemployment insurance program as well as to the economy of our State, further investigation of the problems and costs of agricultural coverage was necessary.

The problem of estimating the costs of agricultural coverage in Arizona was a difficult one, with many tricky ramifications. Scant information was available on permanent agricultural employment, and special research was required. Less was known about the migratory farm labor problems. Existing hours and earnings data varied considerably, and the factor of duration of employment, which depends upon countless intangible factors, had to be considered. Finally, the entire structure had to be fitted into the general pattern which is determined by the existing unemployment insurance program in this State.

The first and most important step was to determine the number of workers employed in agriculture in Arizona.

Methods and Data Used to Develop Agricultural Employment Figures in Arizona

Total agricultural employment in Arizona presented a variable and rapidly changing picture because of the many and highly seasonal commercial vegetable and cotton labor requirements. To determine labor requirements by month over an extended period of time required primarily a complete analysis of each classification of labor. It also required an understanding of usual planting and harvesting time for major field crops and commercial vegetable crops, labor requirements necessary to produce each given crop, and productivity.

Productivity refers to the average quantity produced by each farm worker. It measures relationships between agricultural output and farm em-

ployment. Changes in the ratio between productivity and employment are caused by a number of separate but interrelated factors such as mechanization of farming operation, improved method of pest and disease control, weather, efficiency of farm management and skill, and effort of farm workers. A release by the United States Department of Labor, Bureau of Labor Statistics, called "Productivity in Agriculture, 1909-1948" gave index figures on output per worker from 1940 through 1948 in an area including Arizona, Colorado, New Mexico, Utah and Wyoming. These indices were used in the yearly agricultural employment calculations. The Arizona State Employment Service provided the usual planting and harvesting times for the major crops and commercial vegetables, and the Department of Standardization, under the direction of W. A. Foote, provided the crop production figures that formed the basis for the entire study.

Dr. G. W. Barr's annual "Arizona Agriculture" bulletins, published by the Agricultural Experiment Station, University of Arizona, were a necessary guide to citrus, cotton and major field crop production figures. E. D. Tetreau's "Hired Labor Requirements on Arizona Irrigated Farms" and "Wanted - Man Power for Arizona Farms," also published by the University of Arizona, proved an invaluable source of information necessary for the development of the monthly seasonal labor patterns on irrigated farms.

The study would have been impossible without determining the seasonal labor requirements for each individual crop, from planting through harvesting, by week. This determined the actual curve of labor requirements for the individual crop. Fortunately, the Farm Placement Service and Research and Statistics Section, Department of Employment, State of California, made a very detailed study of crop labor requirements by week for the year 1948. This was published as "Labor Requirements for California Crops - 1948." From this work it was possible to choose areas very similar to Arizona, with

LIBRARY
UNIVERSITY OF ILLINOIS

TABLE 34

PERCENTAGE DISTRIBUTION OF CROP LABOR REQUIREMENTS

(BASED ON SIMILAR CALIFORNIA CROPS CORRELATED TO THE TYPICAL ARIZONA SEASONS)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Lettuce	12.8	11.0	16.7	21.2	-	-	-	1.2	4.9	6.7	7.2	18.3	100.0%
Cotton	10.7	3.0	-	1.7	4.3	4.0	3.6	2.5	10.8	17.7	21.7	20.0	100.0%
Carrots	16.3	11.8	17.7	23.8	7.5	-	-	-	.5	1.4	5.0	16.0	100.0%
Cabbage	28.5	30.8	11.4	-	-	-	-	-	-	6.4	9.9	13.0	100.0%
Grapefruit	7.3	7.2	4.7	-	-	-	-	-	-	17.9	31.5	31.4	100.0%
Navels	22.9	-	-	-	-	-	-	-	-	-	16.1	61.0	100.0%
Valencias	29.6	10.8	6.0	3.0	-	-	-	-	-	-	8.3	42.3	100.0%
Cantaloupe	-	-	6.6	28.8	11.0	23.3	30.3	-	-	-	-	-	100.0%
Cauliflower	29.9	10.2	-	-	-	-	-	2.6	10.3	11.0	13.7	22.3	100.0%
Potatoes	6.6	1.6	7.3	-	-	31.6	37.3	5.0	-	-	4.0	6.6	100.0%
Misc.	12.8	11.0	16.7	21.2	-	-	-	1.2	4.9	6.7	7.2	18.3	100.0%
Celery	13.1	20.2	20.6	10.8	-	-	-	2.7	9.3	9.6	8.0	5.7	100.0%
Watermelon	-	4.8	22.2	-	3.8	19.7	31.1	18.4	-	-	-	-	100.0%

comparable growing seasons, and correlate the weekly labor requirement with our seasons to arrive at a pattern or curve for each individual crop.

In order to simplify this mass of information, we used the same curve of crop labor requirements for all years in the study, making the methodology the same for each year, in order to introduce the least possible error. Table 34 on page 4 shows the various major seasonal crops grown in the State with the percentage of total labor requirements needed for the individual crop by month.

The next problem was the determination of farms whose major activity was chiefly in livestock, beef cattle and sheep, or those farms that dealt very little in vegetable or cotton. From an analysis derived from the 16th Census of the United States as of April 1, 1940, Agriculture in Arizona, we arrived at the following conclusions:

All Farms	18,468
Farmers, Tenants	14,889
	3,579 Farms (joint operated)

	(Census over 14 Years)	(Over 16 Years)	
Farm Laborers and Farm Workers	12,913	12,913	
Unpaid Family Workers	2,403	2,000	(developed from census figures)
	15,316	14,913	

From the Census "All Farms" acreage figures, and from the percent of farm land harvested, we concluded that there were around 6,500 farms whose principal activity was other than vegetable or crops. Some 1,500 Indian farms were added to this figure. Subtracting this total of 8,000 farms from 14,889 (the number of Farmers, Tenants), we determined that approximately 6,900 farmers were engaged in vegetable and citrus raising. Assuming on the average that it requires as much regular employment on irrigated farms as on cattle and sheep ranches, we developed the following formula:

X = regular workers (Irrigated Farms)
Y = Regular workers (Cattle Ranches)
$Y = \frac{80}{69} X$ (Pop. part of Farms)
$X \not- 80/69x = 12,913$
X = 6,000 regular workers irrigated farms
Y = 6,900 regular workers cattle ranches

Each crop, of course, required an accumulative total amount of labor that had to be calculated from the total labor requirements against the total production. Total labor for each of these individual crops represented a percentage of grand total labor crop requirements. Necessary seasonal labor required for a specific crop for any month would be the percent of labor requirements for the crop multiplied by the percent of grand total requirements the crop represents for the year. This percentage multiplied by grand total labor requirement gave the seasonal labor requirements needed for that particular month. Tables on the following pages show the data used to determine labor requirements for the 1949-1950 season.

Other Agricultural Factors

From the foregoing analysis, it is evident that the great majority of the agricultural labor force is engaged in farming rather than ranching or logging, and the number engaged in farming is mainly determined by the number of acres under irrigation. With the exception of a few minor areas, the rainfall in Arizona is too scanty even for successful dry farming. Irrigated farming, however, has shown rapid development. In 1900, only 200,000 acres were under irrigation. By 1940, the number had increased to 665,000. But during the last ten years, an additional increase of fifty percent raised the total irrigated acreage to about 1,000,000 acres.

This makes an impressive increase, but actually only 1½% of Arizona's land area is irrigated farmland. Possibly as much as 10% of the

TABLE 35

CALIFORNIA CROP LABOR REQUIREMENTS - 1948*

	ACRES	PRODUCTION	MAN WEEKS	PRODUCTION PER ACRE	PRODUCTION PER MAN WEEK
Grapefruit	4,250	790,000 Boxes	2,250	186 Boxes	14 Tons, 350 Boxes
Valencias	4,950	790,100 Boxes	6,550	160 Boxes	4.25 Tons, 121 Boxes
Navels	2,750	473,200 Boxes	2,800	172 Boxes	5.91 Tons, 169 Boxes
Cabbage	1,500	18,000 Tons	4,200 (P)	12 Tons	4.29 Tons
Carrots	7,600	82,000 Tons	39,700	10.8 Tons	2.07 Tons
Cauliflower	2,800	16,200 Tons (50 Units per Ton)	5,300 (P)	5.8 Tons	3.06 Tons
Celery	1,450	31,900 Tons	16,500 (P)	22 Tons	1.93 Tons
Lettuce	28,000	188,000 Tons	5,500 (P)	6.70 Tons	3.42 Tons
Cantaloupe	16,350	78,200 Tons	45,700	4.81 Tons	1.71 Tons
Watermelon	4,500	38,500 Tons	4,050	8.55 Tons	9.5 Tons
Potatoes	8,500	108,000 Tons	12,250	12.71 Tons	8.82 Tons
Cotton	105,000	125,000 Bales	164,000	1.19 Bales	.763 Bales

(P) Includes farm packing, but does not include non-farm packing labor.

* Areas similar to those in Arizona

TABLE 36

LABOR REQUIREMENTS BASED ON PRODUCTION IN ARIZONA

September 1, 1949 - August 31, 1950

		Production	Output	Man Weeks Regular	% of Total Requirements
Lettuce -	Fall	2,635,563			
	Spring	3,824,125			
	Total	6,459,688 crates	106 crates	61,000	7.4
Carrots -	Fall	380,020			
	Spring	1,056,367			
	Total	1,436,387 crates	62 crates	23,200	2.8
Cabbage		310,000 crates	107 crates	2,900	.4
Cauliflower		248,152 crates	153 crates	1,650	.2
Celery		105,951 crates	65 crates	1,650	.2
Potatoes		51,200 tons	8.82 tons	5,800	.7
Miscellaneous		282,472 crates	113 crates	2,500	.3
Watermelon		36,197 tons	9.5 tons	3,800	.5
Canteloupe		3,661,965 crates	44 crates	83,200	10.1
Grapefruit		134,000 tons	14 tons	9,600	.8
Navels		16,000 tons	5.91 tons	2,700	.3
Valencias		24,000 tons	4.25 tons	5,700	.7
Cotton		545,000 bales	.869 bales*	628,000	75.6
				831,700	100.0

* 80.9% of total time (harvest time) was reduced from 100% labor requirement to 85% requirement because of machine picking ('48 to '49) making total time required 68.7% ≠ 19.1% or 87.8% of equivalent 1948 total time. This increases man weeks output from .763 to .869 bales.

TABLE 37

ARIZONA AGRICULTURAL EMPLOYMENT TOTALS BY CLASSIFICATION

FOR 1949 - 1950 SEASON

1949	Seasonal* Labor for Comm. Veg. and Cotton	Regular Workers on Dry & Irrigated Farms	Seasonal* Labor for Alfalfa, Grain Dairying, Etc.	Total	Regular Ranch Workers	Proprietors and Unpaid Family Workers	Grand Total
Sept.	33,300	7,000	13,500	53,800	7,100	17,000	77,900
Oct.	54,900	7,000	8,500	70,400	7,100	17,000	94,500
Nov.	68,200	7,000	8,500	83,700	6,900	17,000	107,600
Dec.	69,200	7,000	2,500	78,700	6,900	17,000	102,600
1950							
Jan.	40,800	7,000	2,500	50,300	6,900	17,000	74,200
Feb.	14,700	7,000	2,500	24,200	6,900	17,000	48,100
Mar.	10,800	7,000	5,800	23,600	6,900	17,000	47,500
Apr.	25,300	7,000	5,100	37,400	7,100	17,000	61,500
May	17,800	7,000	6,500	31,300	7,100	17,000	55,400
June	22,900	7,000	7,200	37,100	6,900	17,000	61,000
July	25,100	7,000	6,500	38,600	6,900	17,000	62,500
Aug.	8,200	7,000	12,500	27,700	6,900	17,000	51,600

* Seasonal Workers Based on 15 Work Days per Month

TABLE 38

TOTAL AGRICULTURAL EMPLOYMENT IN ARIZONA*

	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
1941	63,500	71,000	79,400	73,900								
1942					57,600	42,500	43,600	50,900	47,100	49,000	48,800	48,000
1942	63,200	70,200	77,700	73,700								
1943					56,300	42,600	44,000	50,900	46,900	48,300	47,900	48,000
1943	58,000	62,100	68,000	66,300								
1944					53,100	42,900	46,100	53,500	45,600	48,000	48,500	46,600
1944	56,300	59,100	64,200	63,300								
1945					51,700	42,800	47,600	53,100	44,300	46,600	46,900	46,300
1945	55,400	57,400	64,800	63,300								
1946					52,600	43,800	49,100	57,900	45,300	48,900	50,000	46,100
1946	57,300	60,600	66,300	65,500								
1947					53,500	43,300	49,600	57,500	46,500	50,300	51,500	46,600
1947	62,200	68,500	75,500	73,400								
1948					57,700	44,700	48,300	59,200	48,700	53,200	54,600	47,800
1948	68,100	78,000	87,000	82,900								
1949					62,300	45,200	46,800	57,800	50,400	54,500	55,600	49,200
1949	77,900	94,500	107,600	102,600								
1950					72,600	48,100	47,500	61,500	55,400	61,000	62,500	51,600

* Includes Proprietors, Unpaid Family Workers and Seasonal Workers.

Seasonal Workers based on fifteen work days per month.

surface of Arizona is sufficiently level and fertile to make irrigated farming feasible if only an economical source of water can be found. But strong evidence exists that some land farmed in 1950 may even have to be abandoned unless an added source of water can be found. The underground water level in many areas served by pumping plants has shown an alarming drop in recent years.

The principal farm crops on the basis of acreage are cotton, alfalfa, grain and truck crops. Cotton and truck crops require an extensive labor force, particularly during the late fall and early winter harvest seasons.

The resident farm labor force is peculiar in that it consists of an unusually large proportion of self-employed and unpaid family workers. In 1940, as reported by the census, there were about 1.2 self-employed and unpaid family workers to each hired hand. In 1950, the number of local hired hands was estimated at 22,500. Multiplying this number by 2.2, a permanent local labor force of 49,000 plus was estimated for 1950. Of course, this does not include the thousands of migratory workers who arrive in the fall and early winter to help with the harvesting of cotton, truck crops, citrus fruits, and other crops.

The size of the agricultural labor force shows a higher degree of seasonal variation than is present in any other major industry group in Arizona, although there is reason to believe that mechanization may reduce somewhat this seasonality in the future. The rapid increase in the use of machines to pick cotton is a notable case in point. The first mechanical picker was used in Arizona in 1939, but in 1949 about one-tenth of the cotton crop was harvested mechanically. It is doubtful if cotton picking machines will reduce materially the size of the resident farm labor force, but they will ease the most acute demand for migratory seasonal workers.

Another factor concerning farm mechanization deserves mention. From 1930 to 1945 in Arizona the number of "farms reporting tractors per 1,000 farms" more than doubled and the average size of farm increased from 742.7 acres to 2,880.6 acres. This technological advance has made possible the release of a certain number of workers from the farm labor force which tends to counteract the increase due to the increased number of acres irrigated. During the decade of the thirties when the prices of farm products were quite depressed, very little new land was put under irrigation and the agricultural labor force decreased from 39,000 in 1930 to 33,000 in 1940. The fact that the agricultural labor force grew to an estimated 49,200 in 1950 shows that the secular trend in this industry can be erratic and difficult to predict.

Two other aspects of the agricultural labor force of Arizona are of possible significance. Farm employees have shown a tendency to move their place of abode from the farm to nearby towns and cities. This movement is taking place in many States and is confirmed by the large growth in the size of cities at the expense of the size of the rural population. The other aspect concerns the appearance of the farm labor contractor. This contractor, as his name implies, organizes large groups of workers that are needed by the farm operators principally for seasohal work. Since the farm workers in many instances have moved from the farm to the cities and towns, they can work more effectively when mobilized in groups by the farm labor contractor for special tasks such as melon picking or cotton chopping.

Crop reduction programs of the U. S. Department of Agriculture provide another factor that can influence the agricultural labor force; but unless the reductions are quite drastic, other factors will likely obscure their effect. During the middle thirties staple farm crop acreages were

sizeably reduced by control programs, but the resultant reduction in yield was comparatively slight. The droughts of 1934 and 1936 no doubt had more effect on yields. Moreover, the reduced acreage for staple crops was often diverted to other agricultural uses and therefore continued to be a source of farm employment.

Business cycles in the past have not affected agriculture in the form of a reduced scale of farm operations and consequent unemployment on the farm labor force. Rather the business cycle has been superimposed upon agriculture in the form of reduced effective demand for farm products from the other parts of the economy. This has resulted in drastic declines in farm prices and in farm incomes. The system of farm price supports of recent years has served greatly to stabilize farm prices and incomes and this in turn provides a stabilizing influence on the tertiary industries that serve agricultural communities. Because of this, agriculture can be expected to provide a large stabilizing influence against cyclical fluctuations in the Arizona economy as long as its water supply is adequate.

Estimated Costs of Agricultural Coverage

Any attempts to understand the cost of unemployment insurance for agricultural workers must be based upon the general pattern which is determined by the existing unemployment compensation program in Arizona. This program is based upon three principals: (1) Contributions are collected at definite rates of taxable payrolls; (2) benefits are paid on a weekly basis, in accordance with previous employment and earnings, to eligible unemployed persons; (3) payment of benefits begins after a short waiting period and is restricted to a definite number of weeks.

A recent proposal calling for extension of coverage to agricultural

workers defined "agricultural labor" as including "all services performed:

"(1) On a farm in the employ of an independent labor contractor or agent of the owner or tenant except the services performed by an individual regularly employed by such independent labor contractor or agent if such individual performed services for such independent labor contractor or agent on a full-time basis for at least sixty days in each of three quarters of the calendar year; or

"(2) In the temporary hire or employ on a farm or ranch of the owner or tenants in connection with raising or harvesting any agricultural or horticultural commodity."

The term "independent labor contractor or agent" was defined as being "a person who furnishes farm workers for the owner or tenant or is engaged with his employees in work for an owner or tenant and who, while so engaged, is independent of the employer in the execution of the work, not subject to the rule or control of the person for whom the work is done, but engaged only in the performance in a definite job or piece of work, and subordinate only to the employer in effecting a result in accordance with the employer's design, and who engages to produce a definite result for a specified price."

The term "temporary hire or employ" was defined as "hire or employment for a period of less than four consecutive months in a calendar year." The term "farm" included "stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, oranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards."

In summary, this proposal recommended unemployment insurance coverage for all agricultural workers, both year around and migratory.

For a practical study of this situation, we analyzed first the cost in covering permanent "year around" workers and seasonal workers who move from area to area, but who remain within Arizona throughout the year. Next we analyzed cost based upon migratory workers who may attain eligibility, added to the cost of regular year-around workers.

In 1950, the permanent year-around farm labor force was estimated at 49,000 workers. (Migratory workers were excluded.) The farm labor force in 1940 was slightly over 33,000. Farm product increases were over 50% greater in 1950 than in 1940, but employees for regular farm work increased only about 10%.

The 1940 census reported 14,889 farmers and tenants. About 7,000 of these would be excluded because of the "three or more" provisions in the Employment Security Act. Farmers and tenants eligible for coverage would absorb, including themselves, unpaid family workers, and regular and long term seasonal workers to the extent of about 40,000 of the total farm labor force. This would leave about 9,000 workers among the ineligible employers.

The estimated year around workers total about 14,000. At least 12,000 of these would be eligible for coverage. We can assume that this group would show little unemployment because of the year around nature of farm work, and 5% unemployment, or 600 workers from this group becoming eligible for benefits would be adequate. Because workers in this group are relatively well paid, earning in the $2,100 a year range, they would undoubtedly be eligible for amount of benefits in proportion to nonagricultural workers. Under these conditions, estimated costs for the year-around workers would be:

TABLE 41

TOTAL AGRICULTURAL COSTS 1/

Variations	Year Around	Arizona Seasonal	Out-of-State	Total Cost
12 weeks at $20 per week	$ 95,000	$ 675,000	$ 90,000	$ 860,000
16 weeks at $20 per week	115,000	850,000	115,000	1,080,000
20 weeks at $20 per week	125,000	950,000	130,000	1,205,000
26 weeks at $20 per week	140,000	1,050,000	135,000	1,325,000
16 weeks at $25 per week	145,000	1,080,000	140,000	1,365,000
20 weeks at $25 per week	160,000	1,200,000	160,000	1,520,000
26 weeks at $25 per week	180,000	1,300,000	180,000	1,710,000
Contributions:	$700,000	$ 775,000	$800,000	$2,275,000

1/ Based on 750 out-of-state claimants. Excludes dependents' allowances.

TABLE 42

TOTAL COSTS FOR BOTH NONAGRICULTURAL AND AGRICULTURAL CLAIMANTS 1/

Variations	Ariz. Ag. Yr Around & State Seasonal	Ariz. Ag. Out-of-State Seasonal 2/	Non-Ag.	Grand Total	Total Excluding Out-of-State
12 wks at $20 per wk	$ 770,000	$ 90,000	$1,350,000	$2,250,000	$2,120,000
16 wks at $20 per wk	965,000	115,000	1,693,000	2,773,000	2,658,000
20 wks at $20 per wk	1,075,000	130,000	1,889,000	3,094,000	2,964,000
26 wks at $20 per wk	1,190,000	135,000	2,986,000	4,311,000	4,176,000
16 wks at $25 per wk	1,225,000	140,000	2,114,000	3,479,000	3,339,000
20 wks at $25 per wk	1,360,000	160,000	2,360,000	3,880,000	3,720,000
26 wks at $25 per wk	1,530,000	180,000	2,620,000	4,330,000	4,150,000

1/ Based on coverage of three or more employees under the present Act. For estimated costs and income for coverage of one or more employees, add 20% to above figures.

2/ Based on 750 Out-of-State seasonal claimants under normal conditions. Above is exclusive of dependents allowances. Add 11% if needed.

TABLE 39

COSTS FOR OUT-OF-STATE SEASONAL WORKERS
(High Wages, No Work Elsewhere, Based On 10,000 Workers Filing)

Variations	Year Around	Arizona Seasonal	Out-of-State	Total Cost
12 weeks at $20 per week	$ 95,000	$ 675,000	$ 900,000	$1,670,000
16 weeks at $20 per week	115,000	850,000	1,150,000	2,115,000
20 weeks at $20 per week	125,000	950,000	1,300,000	2,375,000
26 weeks at $20 per week	140,000	1,050,000	1,350,000	2,540,000
16 weeks at $25 per week	145,000	1,080,000	1,400,000	2,625,000
20 weeks at $25 per week	160,000	1,200,000	1,600,000	2,960,000
26 weeks at $25 per week	180,000	1,350,000	1,800,000	3,330,000
Contributions:	$700,000	$ 775,000	$ 800,000	$2,275,000

TABLE 40

COSTS FOR OUT-OF-STATE SEASONAL WORKERS
(Reduced Wages, Claimants Remain Here And File,
Based On 10,000 Workers Filing)

Variations	Year Around	Arizona Seasonal	Out-of-State	Total Cost
12 weeks at $20 per week	$ 76,000	$ 540,000	$ 720,000	$1,336,000
16 weeks at $20 per week	92,000	685,000	930,000	1,707,000
20 weeks at $20 per week	100,000	750,000	1,020,000	1,870,000
26 weeks at $20 per week	112,000	830,000	1,080,000	2,022,000
16 weeks at $25 per week	116,000	870,000	1,140,000	2,126,000
20 weeks at $25 per week	128,000	975,000	1,320,000	2,423,000
26 weeks at $25 per week	144,000	1,080,000	1,450,000	2,674,000
Contributions:	$560,000	$ 610,000	$ 580,000	$1,750,000

persons with individual earnings of less than $1,000. This type of employment follows seasonal agriculture throughout the United States, and during periods of high wages, it is doubtful if many from this group would stay in Arizona long enough to file and wait for the benefit check with a much higher income beckoning elsewhere. During good times, the filing from this group would probably not exceed 3% unemployment, or 750 claimants. But if wages were down or climatic conditions had affected the next seasonal crop, the claims load might reach 6,000 to 7,500. Examining the two possibilities for costs of migratory workers, we have:

HIGH WAGES IN ARIZONA
NO IMMEDIATE EMPLOYMENT ELSEWHERE

Weekly Benefit Amount & Duration	Cost for 750 Claimants		Costs for 7,500 Claimants
12 weeks at $20 per week	$ 90,000		$ 900,000
16 weeks at $20 per week	115,000		1,150,000
20 weeks at $20 per week	130,000	(Ave. = $170)	1,300,000
26 weeks at $20 per week	135,000		1,350,000
16 weeks at $25 per week	140,000		1,400,000
20 weeks at $25 per week	160,000		1,600,000
26 weeks at $25 per week	180,000		$1,800,000

Out-of-state workers - $1,200 average wage. Contributions - $800,000.[1]

---

[1] Additional data on agricultural costs are found in Tables 39, 40, 41, and 42 on the following two pages.

CLAIMANT LOAD OF 600 YEAR-AROUND WORKERS UNDER NORMAL CONDITIONS

Weekly Benefit Amount & Duration	Cost
12 weeks at $20 per week	$ 95,000
16 weeks at $20 per week	115,000
20 weeks at $20 per week	125,000
26 weeks at $20 per week	140,000
16 weeks at $25 per week	145,000
20 weeks at $25 per week	160,000
26 weeks at $25 per week	$180,000

Contributions from employers in this group would be approximately $700,000 annually.

The Arizona seasonal worker (who moves from area to area but does not leave the State) presents a different problem. This group is currently estimated to be 14,000 workers, whose wages ordinarily are high enough that those who are eligible would receive an amount of benefits in at least the same proportion as non-agricultural workers. In a normal year, at least one-third, or 4,500 of this group, would receive benefits. The Arizona seasonal worker, being a resident, would file more frequently than permanent farm workers, because he is in and out of a job more often. Costs then for the Arizona seasonal worker group are estimated at:

Weekly Benefit Amount & Duration	Cost
12 weeks at $20 per week	$ 675,000
16 weeks at $20 per week	850,000
20 weeks at $20 per week	950,000
26 weeks at $20 per week	1,050,000
16 weeks at $25 per week	1,080,000
20 weeks at $25 per week	1,200,000
26 weeks at $25 per week	$1,350,000

Contributions from this group would be about $775,000 annually.

The seasonal out-of-state workers employed 15 days a month, would present a different problem. A monthly average for the year 1949 was 25,000

3 0112 098490334